

ATTACHMENT 3A

MINUTES

Del Norte Local Agency Formation Commission

April 26, 2010

4:00 pm

Members Present: Leslie McNamer, Sparky Countess, Kathryn Murray, Charles Slett and Gerry Hemmingsen, Chair

Members Absent: None

Others Present: George Williamson, Executive Director, Karen Phillips, PS Business Services, Chris Howard, Elk Valley Rancheria, Reweti Wiki, Elk Valley Rancheria, Bill Renfro, Tri-Agency EDA, Rod Butler, City of Crescent City, and Kevin Hamblin, Del Norte County CDD

1. Call to Order/Roll Call

Chair Hemmingsen called the meeting to order at 4:01 p.m.

2. Public Hearing

A. Municipal Service Reviews and Spheres of Influence update hearings, staff report and resolutions for the Bertsch-Ocean View Community Services District and the City of Crescent City (ATTACHMENT 2A).

| City / District | MSR Services | Sphere of Influence |
|------------------------|---------------------------|------------------------|
| Bertsch-Ocean View CSD | W | SOI Amendment Proposed |
| City of Crescent City | CS, FP, LE, PR, PF, W, WW | SOI Amendment Proposed |

The public hearing was re-opened at 4:02 p.m. regarding the Bertsch-Ocean View Community Service District Municipal Service Review (MSR) and Sphere of Influence (SOI) expansion. George Williamson presented the staff report and a map of the existing CSD boundary and proposed SOI. The district provides water service only within the district, and to one subscriber outside the area, which was identified as the Martin Ranch. A SOI expansion is requested based on the fact that the Martin Ranch has service outside the current district boundaries. Both the Elk Valley Rancheria and the district have asked to have the hearing continued again. Commissioner Countess indicated that there are two areas within the area (west of the boundary and the Starey Ranch area). He would like to put the matter on hold and check out the areas that could be expanded/developed. Commissioner McNamer stated that she also would like to see the hearing continued.

Staff agreed that the matter should be continued until July 2010 to allow the parties to work out the issues and research the options. The actual service areas and potential development sites will be shown on the next map presented by staff; when possible, parcel lines will be followed as boundaries. Commissioner Slett indicated that attachment "A" indicates \$4,000 in legal fees have been spent and he is curious to know if the legal fees are an indication of what will continue. Discussion was held regarding the district meetings. According to Rancheria staff, Bertsch Ocean View sent their first ordinance in February 2010 to which Rancheria staff responded. They feel like

they have tried to work with the district. The district would have more revenues if they were to expand the sphere to include the Martin Ranch.

The public hearing was recessed 4:14 p.m. until the hearing continuance at the July meeting (July 26th).

The public hearing was opened at 4:15 p.m. regarding the City of Crescent City MSR and proposed SOI modification. Mr. Williamson reported that city staff has been cooperative and has taken time to review the draft MSR, commenting and correcting items regarding the budget and other areas of the MSR determination and mapping. City staff members have also met with Mr. Williamson regarding the document. A map of the service area was shown for the public and Commission. The urban boundary, city limits, CSA 1 boundary, planning area boundary and the SOI boundary. The urban boundary and the SOI do not completely match. There are a couple of areas that extend outside the sphere and there are a few places inside the Crescent City urban area that are not included in the sphere. The boundary and SOI should be consistent with service areas. There is one area designated as a county resource area on the map. If the area is outside the urban boundary, it indicates that there is no consideration of service provision. There are two areas, north and south that staff would like to include in the sphere (airport industrial) and south of town (Martin Ranch) and clean up the urban boundary and SOI match city limits. Adjusting the urban boundary is a city process. Mr. Williamson indicated that he would work with the city staff if they would like to review the urban boundary. The boundary can be adjusted by an amendment to the general plan. Part of the Martin Ranch is designated as county resource.

Mr. Hamblin commented on the areas that were slated to be removed and added, indicating there may be some development possible in those areas and he would like to review those designations prior to approval of the MSR. Mr. Butler stated he agrees with Mr. Hamblin that they need to review the areas being proposed for addition and deletion based on services and development potential. Mr. Butler also noted Page 18 of the MSR needs to be amended to reflect the term of the loan to 30 years and he would like that change reflected in the final document. Commissioner Slert asked about the City Police Department being 30% of the budget (page 20) and noted that the City is reevaluating the provision of services in the consolidation of services. The City has worked very hard to balance their budget including public safety. Discussion was held regarding changes to the park on page 10 (Parks and Recreation) where it was noted Brother Jonathan playground was left off the list. Staff noted it was listed, but as Fraser Park, its real name. It will be so noted in the report. Reweti Wiki commented the Rancheria would support the amendment to include Martin Ranch and they would suggest the Commission consider adding the tribal lands and for the Ag 5 and 20 (Endert's Beach Road) to the SOI/urban boundary. Staff will bring back the county's zoning designations also.

The public hearing was recessed at 4:39 and be will continued to July 26th, 2010.

3. Regular Business

A. Approval of March 22, 2010 Minutes (ATTACHMENT 3A).

On a motion by Commissioner Countess, seconded by Commissioner McNamer, and unanimously carried, the Local Agency Formation Commission approved and adopted the minutes of the March 22, 2010 meeting as presented.

B. Municipal Services Review Compliance Status (ATTACHMENT 3B).

Mr. Williamson reviewed the schedule of MSR's that will need to be approved and adopted for the upcoming year. Mr. Williamson indicated that there was no action necessary.

C. Budget Status Report for 2009-10 (ATTACHMENT 3C).

Mr. Williamson reviewed the 2009-10 budget with the Commissioners. The attachment was a receive and file report.

D. Draft 2010-11 Budget (Attachment 3D).

The draft 2010-2011 budget was presented for discussion. Staff noted the reduction of City and County funds necessary for this fiscal year. Mr. Williamson would like the Commission to approve the draft budget and then he will send it to the City and County for approval.

On a motion by Commissioner Countess, seconded by Commissioner Slert, and unanimously carried on a polled vote, the Local Agency Formation Commission approved and adopted the draft FY 2010-2011 Local Agency Formation Commissioner Budget as presented.

The final 2010-2011 Budget will come back at June meeting for final approval.

4. Inquiries, Correspondence, Application Status and Referrals

- A. Staff - The Executive Officer will provide a report of current projects, issues of interest, and pending legislation, including a report from the California Local Agency Formation Commission (CALAFCO) Workshop and the City of Crescent City Annexation Workshop.

Mr. Williamson reported on the following: he attended the California Association of LAFCO's annual staff workshop last week in Santa Rosa. It was an opportunity to get current on legislation and other matters. He felt it was helpful.

- B. Commission - On their own initiative, Commission members may make brief announcements or reports on their own activities. They may ask questions for clarification, make a referral to staff or request a business matter be placed on a future agenda per Government Code Section 54954.2 (a).

The following commissioners made reports: Commissioner Slert announced George Williamson presented annexation data at a meeting along with a PhD; it was very informative and helpful. Commissioner McNamer stated that the draft resolutions in the packet have her name on them. Staff indicated that it has been corrected.

- C. Public - Public comment on items of interest to the public within the subject matter jurisdiction of the Local Agency Formation Commission, and not otherwise appearing on the agenda. No action may be taken on any item not appearing on the agenda.

The following persons addressed the Commission: None.

5. Adjournment

Staff suggested and Commissioners concurred, that the May meeting be cancelled for lack of items.

There being no further business to come before the Commission, Chairman Hemmingsen adjourned the meeting at 4:44 p.m.

*Note: On June 14, 2010 a previously unscheduled meeting will take place to review and potentially adopt the Final Fiscal Year 2010-11 Budget. The next regularly scheduled meeting is on June 28, 2010 at 4:00 p.m.

Respectfully submitted,

Karen L. Phillips, Recording
Secretary